

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF MARTIN COUNTY WATER)	
DISTRICT NO. 1 FOR A CERTIFICATE OF PUBLIC)	
CONVENIENCE AND NECESSITY TO CONSTRUCT)	CASE NO.
IMPROVEMENTS TO ITS EXISTING WATER)	93-085
TREATMENT PLANT AND APPROVAL OF FINANCING)	
PLAN)	

O R D E R

On March 11, 1993, Martin County Water District No. 1 ("Martin No. 1") filed an application for a Certificate of Public Convenience and Necessity to construct a waterworks improvement project and for approval of its plan of financing for this project. Project funding includes a \$407,690 grant from the Economic Development Administration ("EDA") and a \$345,675 Community Development Block Grant ("CDBG") from the U.S. Department of Housing and Urban Development ("HUD"). Martin No. 1 proposes to complete the entire project in phases. Currently, Martin No. 1 is only seeking a Certificate of Public Convenience and Necessity to upgrade the clarifier and replace the chemical feed system at a cost of \$217,800. This portion of the project will be funded with \$119,800 from the EDA grant and \$98,000 of the CDBG grant from HUD.

Martin No. 1's application was made pursuant to KRS 278.023 which requires the Commission to accept agreements between water districts and HUD and to issue the necessary order to implement the terms of such agreements within 30 days of satisfactory completion of the minimum filing requirements. Given that minimum filing

requirements were met in this case on March 18, 1993, KRS 278.023 does not grant the Commission any discretionary authority to modify or reject any portion of this agreement.

IT IS THEREFORE ORDERED that:

1. Martin No. 1 is hereby granted a Certificate of Public Convenience and Necessity for the proposed construction project.

2. Martin No. 1's proposed plan of financing with HUD is accepted.

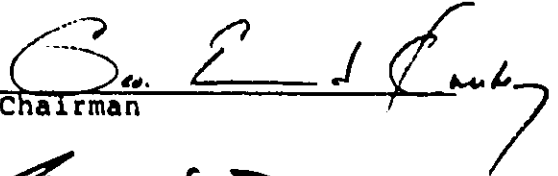
3. Martin No. 1 shall apply separately for a Certificate of Public Convenience and Necessity for other remaining phases of the project.

4. Martin No. 1 shall file a copy of the "as-built" drawings and a certified statement that the construction has been satisfactorily completed in accordance with the contract plans and specifications within 60 days of the substantial completion of the construction certificated herein.

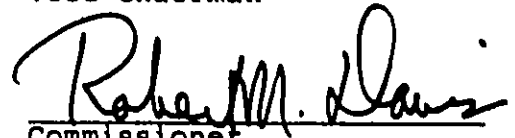
Nothing contained herein shall be deemed a warranty of the Commonwealth of Kentucky, or any agency thereof, of the financing herein accepted.

Done at Frankfort, Kentucky, this 8th day of April, 1993.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director